

AMENDMENTS TO LB 965

Introduced by Jensen, 20

1 1. Strike original section 3 and insert the following new
2 sections:

3 Sec. 3. (1) The Nebraska long-term care savings plan
4 is created. The State Treasurer shall select the administrator
5 of the plan. If the State Treasurer is unable to select an
6 administrator due to lack of proposals, the State Treasurer may
7 enter into agreements with state-chartered or federally chartered
8 banks, savings banks, building and loan associations, savings and
9 loan associations, or credit unions, or a subsidiary of any such
10 entity, to receive contributions under a participation agreement.

11 (2) Participants shall enter into participation
12 agreements with the State Treasurer. A lifetime maximum of one
13 hundred sixty-five thousand dollars may be contributed by a
14 participant under a participation agreement. This dollar limit
15 shall be adjusted for inflation by the method provided in section
16 151 of the Internal Revenue Code of 1986, as amended.

17 (3) Each participation agreement shall provide that the
18 agreement may be canceled or transferred to a spouse upon the terms
19 and conditions set by the State Treasurer. If the participation
20 agreement is canceled or the Nebraska long-term care savings plan
21 program is terminated, a participant is entitled to receive the
22 principal amount of all contributions made by the participant or
23 on behalf of the participant under the participation agreement

1 plus the actual investment earnings on the contributions, less any
2 losses incurred on the investment. A participant shall not receive
3 a refund or distribution that is more than the fair market value of
4 his or her account on the applicable liquidation date.

5 (4) A participant retains ownership of all deposits made
6 under a participation agreement up to the date of utilization.

7 (5) State income tax treatment of contributions and
8 investment earnings under a participation agreement shall be as
9 provided in section 77-2716.

10 Sec. 4. The Nebraska long-term care savings plan trust
11 is created. The State Treasurer is the trustee of the trust and
12 as such is responsible for the administration, operation, and
13 maintenance of the program and has all powers necessary to carry
14 out and effectuate the purposes, objectives, and provisions of the
15 Long-Term Care Savings Plan Act pertaining to the administration,
16 operation, and maintenance of the trust, except that the state
17 investment officer shall have fiduciary responsibility to make all
18 decisions regarding the investment of the money in the trust,
19 including the selection of all investment options and the approval
20 of all fees and other costs charged to trust assets except
21 costs for administration, operation, and maintenance of the trust,
22 pursuant to the directions, guidelines, and policies established
23 by the Nebraska Investment Council. The State Treasurer may adopt
24 and promulgate rules and regulations to provide for the efficient
25 administration, operation, and maintenance of the trust. The State
26 Treasurer shall not adopt and promulgate rules and regulations
27 that in any way interfere with the fiduciary responsibility of

1 the state investment officer to make all decisions regarding the
2 investment of money in the trust. The Nebraska Investment Council
3 may adopt and promulgate rules and regulations to provide for the
4 prudent investment of the assets of the trust. The council or its
5 designee also has the authority to select and enter into agreements
6 with individuals and entities to provide investment advice and
7 management of the assets held by the trust, establish investment
8 guidelines, objectives, and performance standards with respect to
9 the assets held by the trust, and approve any fees, commissions,
10 and expenses which directly or indirectly affect the return on
11 assets.

12 2. On page 2, line 1, strike "4" and insert "5".

13 3. On page 11, line 3, after "than" insert "transfer of
14 funds to a spouse,".

15 4. In the Standing Committee amendments, AM2587, on page
16 2, line 7, after "than" insert "transfer of funds to a spouse,";
17 and in line 10 strike "Department of Revenue" and insert "State
18 Treasurer".

19 5. Renumber the remaining sections accordingly.